

Central Falls Detention Facility Corporation Meeting Minutes
Monday March 14, 2016
Wyatt Detention Facility Training Building
935 High Street
Central Falls, RI 02863
5:30 P.M.
TDD/TTY 401-727-7450

A meeting of the Central Falls Detention Facility Corporation was held on the above date in the Training Building at 5:30 p.m.

1) Call to order/Roll call

Present: Chairman Gallant
Director Gonsalves
Director Gardner
Director Silva

Absent:

2) Pledge of Allegiance

3) Public Comment

Former Central Falls Mayor Thomas Lazieh asked for a status on the following:

What is the average daily count? Where does the corporation stand financially? Mr. Lazieh understood there was a new budget. Mr. Lazieh asked if there were any pending lawsuits from previous Warden Salisbury. What was the status of the bankruptcy? Have any payments been made to the City of Central Falls? Was any equipment transferred to the City? Mr. Lazieh inquired if a new Academy had started yet and how many candidates were entolled? Mr. Lazieh asked if there were any future prospects regarding more Federal detainees?

Chairman Gallant responded that most of what Mr. Lazieh asked would be addressed during the meeting. Chariman Gallant indicated that the detainee count over the last three months has been over 500 on average and that the facility had earned back the respect and trust from their business partners. He stated that he believed that the Wyatt had culled all the federal detainees being held at other facilities. Chairman Gallant reported that they were looking to expand the mental health program to increase population.

The corporation continued to make payments to the City of Central Falls of \$16,666 thousand dollars monthly as set forth in the forbearance agreement. The corporation was not operating in the black yet, but remained stable coming out of

Receivership. The facility needed 600 detainees to operate in the black. The court turned over the running of the corporation to this board in April, 2015.

Chairman Gallant stated that the next Academy would begin on May 2, 2016. He also reported that the labor contracts were settled. There was a financial audit conducted by the bond holders and the corporation was not behind on any of its debts.

Mr. Lazieh asked if the bond holder payments would continue. Chairman Gallant responded that those payments were settled in receivership and not part of the forbearance agreement which goes for another 3 years. Chairman Gallant reported that there was some pending litigation with labor. He indicated that he didn't know anything about former Warden Salisbury, but believed the matter had been settled.

Mr. Lazieh inquired if the Board had a full complement of members. Chairman Gallant stated one member moved out of the city and they were waiting for the Mayor to appoint another member. Director Silva has had some health issues and had missed a few meetings.

4) Approval of Minutes 01/11/16

A motion was made by Director Gardner to approve the minutes of the 01/11/16 meeting and seconded by Director Gonsalves. All board members voted in the affirmative and the motion passed to approve the minutes of the 01/11/16 meeting.

5) New Business

A. Report of the CFO - CFO Cuzzupe presented the financial report for the period ending December 2015 as the Board Meeting was cancelled in February 2016 due to inclement weather:

Revenue: The total revenue for the month was approximately \$1.7 million dollars. Revenue for the month was favorable to the budget by \$18 thousand dollars. The budgeted average daily population (ADP) was 500 for the month compared to the actual ADP of 498. The year-to-date revenue was \$18.3 million dollars which was \$1.1 million dollars unfavorable to budget.

Chairman Gallant interjected at 5:40 p.m., stating that Director Silva had entered the meeting.

Operating Expenses: The total operating expenses for the month were approximately \$1.6 million dollars which were \$2 thousand dollars unfavorable to the budget.

Salaries and Fringe

Total salaries and fringe were approximately \$1.2 million dollars which was \$82 thousand dollars unfavorable to budget due to higher than expected wages for retroactive pay to Medical staff on 12/18/15, as well as longevity bonuses and new pay rates per the new FOP contract.

Inmate Care Expenses

Total inmate care expenses were approximately \$123 thousand dollars, \$6 thousand dollars favorable to budget. This was attributable to lower than expected professional services \$6 thousand dollars.

Direct & Administrative Expenses

Total direct and administrative expenses were approximately \$125 thousand dollars and were \$48 thousand dollars favorable to budget. This was due to lower than expected bondholder legal fees of \$66 thousand dollars, in house legal fees of \$32 thousand dollars, employee clothing/uniform \$6 thousand dollars due to Class 37 being outfitted in November and budgeted in December, vehicle fuel of \$5 thousand dollars, security supplies \$3 thousand dollars and equipment repairs \$2 thousand dollars. Higher than expected expenses, included a payment for the forbearance agreement payment of \$16,666 thousand dollars, consulting fees of \$5 thousand dollars, employee training expenses of \$3 thousand dollars, meals and entertainment expenses of \$2 thousand dollars, 401K administration fee of \$1 thousand dollars, and legal expenses for inmates of \$38 thousand dollars.

Insurance Expense

Total insurance expenses were approximately \$51 thousand dollars which was \$4 thousand dollars favorable to budget due to policies renewing at a lower premium.

Building & Utility Expenses

Total building and utility expenses were approximately \$136 thousand dollars which was \$21 thousand dollars favorable to budget due to lower than expected utility costs.

Operating Income: The operating income for the month was \$84 thousand dollars, which was \$16 thousand dollars favorable to budget due to the operating expenses being \$2 thousand dollars higher than budgeted and revenue being \$18 thousand dollars higher than budgeted.

Non-Operating Revenue/Expense: The Non-Operating Expenses for the month were \$778 thousand dollars which was \$19 thousand dollars favorable to budget.

The variance was due to how Mr. Cuzzupe calculated the interest when preparing the budget and lower than anticipated depreciation expenses.

Change in Net Assets: The change in net assets for the month was a decrease of \$695 thousand dollars compared to a budgeted decrease of \$729 thousand dollars.

The following are the cash balances in the trustee accounts as of December 31, 2015:

US Bank

General Revenue Fund	\$ 1,712,626
Debt Service Fund	\$ 291,213
Debt Service Reserve Fund	\$ 172,886
Capital Improvement Fund	\$ 0
Operations & Maintenance Fund	\$ 6,685
Fees & Expenses Fund	\$ 13,023
Bondholder Account	\$ 2,270,652

Bank of America

Operations & Maintenance	\$ 19,262
Vendor Payments	\$ 131,917
Payroll	\$ 26,096

Chairman Gallant asked CFO Cuzzupe about the meals and entertainment expenses. CFO Cuzzupe explained that it was due to the Executive Staff luncheon and the shakedown meal for staff.

The following is a brief summary of the financial results for Central Falls Detention Facility Corporation for the period ended January 31, 2016.

Revenue: The total revenue for the month was approximately \$1.7 million dollars which was favorable to the budget by \$15 thousand dollars. The budgeted ADP was 500 for the month compared to the actual ADP of 507. The year-to-date revenue was \$1.7 million dollars which was \$15 thousand dollars favorable to budget.

Operation Expenses: The total operating expenses for the month were approximately \$1.6 million dollars which was \$14 thousand dollars favorable to the budget.

Salaries and Fringe

Total salaries and fringe were approximately \$1.1 million dollars which was \$23 thousand dollars unfavorable to budget and attributable to higher than budgeted payroll taxes. Payroll taxes were budgeted over a 12 month period not frontloaded \$5.5 thousand dollars. Longevity bonuses were paid to non-union staff totaling \$25.5 thousand dollars and staff received yearly dividend (income) on workers compensation insurance from last year totaling \$8 thousand dollars.

Inmate Care Expenses

Total inmate care expenses were approximately \$129 thousand dollars and on budget.

Direct & Administrative Expenses

Total direct and administrative expenses were approximately \$103 thousand dollars which was \$52 thousand dollars favorable to budget due to lower than expected legal fees of \$52 thousand dollars. (bond holder \$35 thousand dollars, corporate \$13 thousand dollars and legal settlements \$2 thousand dollars.

Insurance Expense

Total insurance expenses were approximately \$51 thousand dollars and on budget.

Building & Utility Expenses

Total building and utility expenses were approximately \$151 thousand dollars which was \$14 thousand dollars unfavorable to budget. This was due to increased building repairs of \$18 thousand dollars and lower than expected heating and electrical costs of \$4 thousand dollars.

Operating Income: The operating income for the month was \$124 thousand dollars which was \$29 thousand dollars favorable to budget. The increase was primarily attributable to the addition in revenue of \$15 thousand dollars related to the higher than anticipated ADP and lower than expected operating expenses of \$14 thousand dollars.

Non-Operating Revenue/Expense: Non-Operating expenses for the month were \$780 thousand dollars which was \$32 thousand dollars favorable to budget. The variance was due to the non-payment of an expected penalty to AIG Matched Fund.

Change in Net Assets: Change in net assets for the month was a decrease of \$656 thousand dollars compared to a budgeted decrease of \$717 thousand dollars.

The following are the cash balances in the trustee accounts as of January 31, 2016:

US Bank

General Revenue Fund	\$ 1,737,336
Debt Service Fund	\$ 291,213
Debt Service Reserve Fund	\$ 221,822
Capital Improvement Fund	\$ 0
Operations & Maintenance Fund	\$ 52,776
Fees & Expenses Fund	\$ 13,023
Bondholder Account	\$ 2,520,652

Bank of America

Operations & Maintenance	\$ 27,579
Vendor Payments	\$ 310,093
Payroll	\$ 25,463

Chairman Gallant asked that a copy of the non-union longevity bonuses be given to the Board detailing who the bonuses were disbursed to and the amounts. Warden Martin stated that he was revamping the policy to agree with the union contract.

Chairman Gallant asked for a copy of the pay scale of non-union employees. He asked CFO Cuzzupe why there was a variance for non-payment to AIG Matched Fund. CFO Cuzzupe stated because the corporation was not making payments into the Bond Debt Service, he had budgeted for a penalty, but to date there hadn't been one. Mr. Cuzzupe reported that he hadn't heard from the Trustee. Chairman Gallant requested that CFO Cuzzupe call AIG to inquire if this had been resolved.

A motion was made by Director Gardner to accept the report of CFO Cuzzupe for the period ending December 31, 2015 and January 31, 2016 and was seconded by Director Gonsalves. All board members voted in the affirmative and the motion passed.

B. Report of the Warden

Warden Daniel Martin presented the following information:

The detainee count as of today was 494 with an end of the day projection of 496 detainees. The ADP for January was 507 and the ADP for February was 507. The year to date ADP was 513.

In January there were 109 admissions and 96 releases. In February there were 129 admissions and 121 releases. The suicide watch hours for 2016 year to date were 141 hours with a cost \$3,173 dollars.

The FTE's (staffing) as of 3/11/16 was 168.6. There were 9 employees on leave, 4 on paid leave and 5 on unpaid leave. The corporation currently had 140 Correctional Officer positions authorized with 106 filled, 34 vacant, and 101 active. There were 20 Sergeant positions authorized. 15 were filled, 5 were vacant and 14 were active. The corporation had 5 Lieutenant positions authorized with 4 filled, 1 vacant and 3 active. The corporation had 5 Captains positions authorized with 4 filled, 1 vacant, and 4 active.

The Warden reported that there were changes to the Organizational Chart. IT department staff will now report to Fred Clifford and a position for an Administrative Lieutenant had been added under the Chief of Security. (Handout – Revised Org. Chart)

Two officers were promoted to the rank of Sergeant, Roberto Matos and Philip Delfino. Correctional Officer Michael Bessette resigned as of December 24th to go into law enforcement. Correctional Officer Michael Wagner resigned effective January 15th for a more stable schedule.

Three (3) vacant positions in the Programs Department had been filled. Two (2) positions were filled internally. Officer Crystal Caniglia filled the Unit Manager position with the departure of Sharon Johnson, and Officer Robert Gaul filled the Programs Counselor's position. A new employee, Kayla Pari, began employment on February 8th, filling the other Programs Counselors vacancy. Ms. Pari ran a substance abuse program in her previous employment and was a certified substance abuse counselor and in the process of developing a program at the Wyatt.

Sergeant Kieshon Hamrick was promoted to the position of Lieutenant. Officer Vincent Roderick resigned as of 2/4 and returned on 3/7/16. Officer Timothy Gomes resigned effective February 14th.

The part-time nursing positions were posted. The new Aramark Director of Food and Commissary, Peter Hogan, began employment on February 22nd. Mr. Hogan had an extensive background and had already implemented changes.

There were 23 candidates for Correctional Officer Class #38 who remained in the process (1 is a Central Falls resident). Background investigations had been completed and psychiatric testing was in process. The tentative start date was May 2, 2016.

Cost Efficiencies and Savings: The energy audit was ongoing and a R.I.S.E. Engineering met with Mr. Clifford on February 9th regarding LED products.

Beginning March 1st, Aramark will be paying \$300.00 per month toward the cost of the 10 yard cardboard dumpster. This will be a savings of \$3,600.00 per year. Also beginning March 1st, Aramark will be responsible for purchasing food grade disposable gloves for the Kitchen. This will result in a savings of \$725.76 per month (\$8,709.12 per year).

We're saving approximately 25 hours per week in overtime due to implementing the new facility schedule. This change will result in approximately \$25,000 savings annually.

We had a meeting with representatives from the RI Department of Labor and Training to look at some potential reimbursements available through their office. They may also be able to promote our open positions through their office and on TV as the "Job of the Day".

The corporation reduced size of the medication cups to a 5oz cup. This will result in a cost savings of \$200.00 per month and \$2,400.00 per year. The corporation continues to review all contracts to identify additional cost savings and continues to pursue the request for a per-diem rate increase.

Since the last meeting in January we've had 4 code blues, 1 assault on staff, and 6 incidents that required use of force.

Outreach and Networking: The Department of Administration toured the facility on January 12th. Senator Sheldon Whitehouse toured the facility on January 15th. Massachusetts Chief Probation Officer Chris Maloney and several federal Judges toured the facility on January 19th. Rhode Island ACI Director A.T. Wall and staff toured the facility on February 2nd (Jim Weeden, Barry Weiner, Robert Catlow, and Cory Cloud). Director Bud Gardner was on-site and accompanied us on the tour. Federal Probation staff toured the facility on February 2nd (Kurt O'Sullivan, Chief, David Picozzi, Deputy Chief and John Marshall, Deputy Chief).

Facility staff were participating in a food drive to benefit the Central Falls Food Pantry.

Programming: We're looking into the feasibility of developing an Addiction Recovery Program. The program would be overseen by the newly hired Programs Counselor Kayla Pari. This would be a 12-week program focusing on drug and alcohol addiction. Classes would include; Rational Emotive Behavioral Therapy of Life, the Negatives and Positive of People, Places and Things, etc. There would be a certificate issued and graduation upon completion of the program.

Capital Projects: Three (3) vans were purchased, outfitted and were in use. The corporation was in the process of selling the older vehicles to recoup some of the cost for the purchase of the newer vehicles. The facility received 26 new radios for the price of 22. 4 new radios were free which resulted in a savings of \$3,956 thousand dollars. The HVAC system software was updated. The software was installed at no cost to the corporation through Aero Mechanical. Not only does the facility benefit by this software, it will also save Aero Mechanical time and money when they do their normal preventative maintenance. Total savings were \$6,500 thousand dollars.

The door jack won't be ordered. The current jack was retro-fitted to perform the same function resulting in a cost savings of \$2,200 thousand dollars. The Wonderware licenses were purchased in January for a savings of \$47,833 thousand dollars. Technicians from Texas came to the facility and instructed the IT staff on usage. The facility had a 10" PVC pipe located next to the chiller that developed a leak which was discovered during the process of winterizing the pipe in December. The repair was scheduled for March 23rd. The cost was estimated to be approximately \$27,000 thousand dollars. The repair was on the perimeter road and not in the facility. A 30 foot hole would need to be dug. Lastly, 10 new PCs were ordered and would be distributed throughout the facility to replace outdated units.

Emergency repairs were made to the facility generator. Anti-Freeze was leaking at the seals and mixing with the oil. This caused the major head seals and rings to break down and the pistons to deteriorate. All gaskets were replaced along with pistons and all fluids. The generator was put under a load test and was fully functional. Costs for the repairs were as follows:

- Backup generator rental for 5 days: \$2,921.00 thousand dollars
- Electrical hookup and disconnection: \$1,965.00 thousand dollars
- Repair cost to generator: \$7,012.71 thousand dollars

Total Cost for repair was \$10,898.71 dollars.

The January and February monthly forbearance agreement payments were made to the City of Central Falls.

Chairman Gallant asked for the name of the person who came to the facility from RISE and National Grid. Mr. Clifford stated that Bob Mercer and Michael Kolb were the two individuals from RISE. Chairman Gallant asked what the internal penalty was for a detainee who assaulted an officer. Warden Martin stated the detainee would be locked down for 40 days. Warden Martin stated that credit should be given to Director Tomasso and our Investigative Unit for discovering drugs being sent through the mail to the facility. Chairman Gallant stated that if the Recovery Program is successful, we may want to advertise

that. Warden Martin gave credit to Fred Clifford with the savings on the new vans that were on the road and operational.

Director Gonsalves asked if there was any news about receiving Federal detainees. Warden Martin said there was a decrease in population due to the increased releases to the BOP. The Warden had communicated with CT and MA who would evaluate their population and send Wyatt their Federal detainees.

A motion was made by Director Gardner to accept the Report of the Warden and seconded by Director Gonsalves. All board members voted in the affirmative and the motion passed.

- 6) A motion was made by Chairman Gallant to move from open session to executive session pursuant to R.I.G.L. § 42-46-5 for the following purposes:
 - A. R.I.G.L. 42-46-5(a)(2) for the purpose of discussing invoice discrepancies and potential litigation.
 - B. R.I.G.L. 42-46-5(a)(3) for the purpose of receiving an operational report from the Warden, to discuss the internal review of recent inmate incidents, mental health staffing and security, and the Efficiency/Security Analyst.

The motion to move into executive session was voted in the affirmative by Director Gonsalves, Director Silva seconded. All members voted in the affirmative and the motion passed.

A motion to return to open session was made by Director Silva and seconded by Director Gonsalves. All members voted in the affirmative and the motion passed.

A motion to seal the minutes of Executive Session was made by Chairman Gallant; seconded by Director Gardner. Director Silva and Director Gonsalves voted affirmatively to seal the minutes. Motion passed.

A motion to adjourn was made by Director Silva and seconded by Director Gardner. All board members voted in the affirmative and the motion passed and the meeting of 3/14/16 was adjourned.